

# **FISCAL NOTE**

## **SB 1739 - HB 1322**

February 28, 2007

**SUMMARY OF BILL:** Requires businesses in the “hospitality industry” to be licensed by the Department of Commerce and Insurance. Violations are punishable as a Class A misdemeanor.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - \$2,091,000 Triennially  
\$42,500 One-Time**

**Increase State Expenditures - \$697,000 Recurring  
\$42,500 One-Time**

**Increase Local Govt. Revenues – Not Significant**

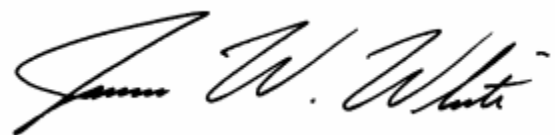
**Increase Local Govt. Expenditures – Not Significant**

#### **Assumptions:**

- Approximately 26,000 initial licenses will be issued on a triennial basis.
- The initial application fee and the triennial license fee will be set in an amount to cover expenditures.
- The Department of Commerce and Insurance will need ten positions to implement and enforce the provisions of this bill.
- A recurring increase in state expenditures for the salary, benefits and operational expenses of nine positions and a one-time increase in state expenditures for office furnishings and computer equipment.
- There will not be a sufficient number of prosecutions for local governments to experience any significant increase in revenues or expenditures.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director